

App E IV 20-39-34

he 70-38-144, 145

Previous References

he 97-38-47, 53

he 160-38-1, 3

he 140-37-4, 6, 7, 8, 9

Later References

1941

(M L)

File No 109-41

Serial Nos 12, 13

GENERAL AND REVENUE SECRETARIAT

Serial Nos

Part B for April 42

SUBJECT

Adjustment for sum of Rs 21,825/-
drawn by the Shimoga Town M L C as
water supply grant loan

To,

The D C Shimoga

L 9389/4-4-42

Issue certain instructions.

Adjustment of Rs 21,875/- drawn by the Shimoga Town M. C. as water supply grant & local

General and Revenue
Secretariat

File No.

of 1941-42

[App F III-2]

Serial
No

From the D. C. Shimoga Dist.

M. C. 1992 / 40-41 D. 17-10-41

He has ~~been~~ that telegraphic orders
he issued to the Dist. Treasury Officer
Shimoga to permit municipal cheque
being encashed as the Comptroller has
ordered otherwise.

1) Subtd for orders.

By 20/10

2) There is no doubt that

in this case the Shimoga Town

M. C. has drawn a sum

of Rs 21,875^x and utilized it.

although the same amount had
been drawn & spent by the Sanitary
Engineer for the improvement of
the water supply scheme at the place.
Now an attempt is made to
justify its action, when the

Comptroller has pointedly raised the
objection & has directed the M. C.
to refund it. The recent
letter clearly shows that as there

was a certain amount available

^x
[Rs 21,875/-
has since been repaid]

NOTE—Contn Sheet

WD 08967—GPB—5 000—30 & 41

grant, it was drawn & appropriated
somewhat and as an after thought, a
justification of the action taken is
made

3) The matter requires to be pursued
and to arrive at a decision, further
details as to when the amount of Rs 48717
was drawn by the RLF, when an equal
amount was drawn by the Family Expt, what
is the total amount spent on the water supply
works, what is the amount spent on the
other two works by the RLF - How much has been actually
paid by the RLF towards the water supply scheme, ^{as the bonds are repaid}
have to be obtained & the Comptroller's remarks
also put on the letter under advisement
In the meanwhile the D.C. recommends
that orders by telegram might be conveyed,
keeping the Comptroller's orders in abeyance so that
the RLF cheques may be continued to be cashed
in the Dist Treasury. There is no information
in the letter as to what the cash balance is ^{at the credit}
of this RLF in ^{of Rs 20000} the Treasury as on 15 X 1941, what the
exact commitment of the RLF at present are
whether in case the amount is adjusted,
the RLF will not have enough cash, although
this is only implied in the communication.
It is difficult to pass orders on insufficient data

General and Revenue
Secretariat

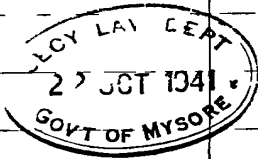
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The Financial Secy maybe consulted
- in the matter



Law Secy for
21/10/41
4) Hm
22/10/41

In Secy
W.C.

22/10/41 2186

5) I understand that the Comptroller has issued instructions to permit the encashment of cheques, pending the issue of ^{quarter} orders, on receipt of a communication from the Deputy Commissioner enclosing a copy of his letter to Government

6) I am afraid that the position has not been properly and correctly explained by the President

7) Apart from the technical procedure for the drawing and accounting of the Grant and Loan for these improvement works, it is necessary to find out the agency authorised to execute these items of works. So far as I can make out, the Sanitary Engineer has been executing the water supply scheme and no portion of the Grant or Loan sanctioned for it can be drawn by the Municipality

8) The other items of work for which Rs 20,000 have been sanctioned by Government (Rs 10,000 as Grant and Rs 10,000 as Loan) are -

(1) Improvement of congestion by acquiring certain properties Rs 10,000

(2) Extending the road on the River bank Rs 10,000

9) - The Grant and loan required for these works (not exceeding the amount mentioned in the Government Order of 18th August 1938) have to be drawn by the Municipality

NOTE—Contn Sheet

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General and Revenue
Secretariat

if ~~then~~ the Municipality has been authorised to take up these works, after obtaining specific provision therefor from Government, and it cannot appropriate the Grant sanctioned for the Water supply scheme. The contention that all the three works should be taken together is also not tenable.

10) The file may be referred to the Comptroller for favour of explaining the present position, and the procedure to be adopted by the Municipality in getting the funds (Both loan and grant) required for the two works, which seem to have been taken up by the Municipality for execution.

Ar 25-10-41

Hm
2

27 10 41

1) Forwarded with compliments to the Comptroller to the Govt of Mysore for perusal of remarks with reference to the portion marked A supra.

By order

Pranachandran

In secy report
27/10/41 Law Secy

W O NO 27
28/10/41
CONTROLLER'S OFFICE B.S.V.
30 OCT 1941
244/512
SOCIAL SECTION
24
29/10/41

Comptroller's
Office

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Serial
No

2280/K
No 234/spl dated 2-12-41

U O No 351 /A 1 dated 27th November 1941 *Encl referred to in the reply*

Secretariat files Shimoga current 1
(Returned with compliments)

1) Government in their order Nos L 1576-9 dated 18-8-1938 and L8215-8/ML 160-38-3 dated 11-4-1939 sanctioned a sum of Rs 1,43,750/- (half this amount by way of grant, Rs 71,875/- and the other half by way of loan Rs 71,875/-) to Shimoga Town Municipality for financing the

Name of work	Amount of Estimate	marginally noted
		improvement works
1 Water supply	1,23,750	in Shimoga Town
2 Removal of congestion by acquiring certain properties	10,000	In paragraph 6 of the Government order dated 18-8-1938 the
3 Extending River Bank Road	10,000	Director of Public

Health was requested to see that the works were started as early as possible. Government provided grants of Rs 50,000/- during 1938-39 (G O No L 2570-80/ML 104-38-1 dated 21-9-1938) and Rs 21,875/- -- during 39-40 (G O L 2603-15/ML 100-39-4 dated 6-9-39) for meeting the Government portion of the water supply scheme. According to the then procedure in vogue, the expenditure incurred was being debited directly under the Head of Account 30 Grants 2 Improvement of Water Supply up to the extent of grant available and thereafterwards to loan funds in the Divisional Accounts. The expenditure incurred and debited in the accounts was being communicated by the Sanitary Engineer to the Deputy

NOTE-Contn Sh et

COM-

6

File No	of 194_	Comptroller's Office
Commissioner who is the countersigning officer for bills in respect of water supply and Town Improvement grants Further in Government Order No L 4536-7/M1 143-39-5 dated 8/14-11-1939 Government authorised the Director of Public Health to draw the loan amount sanctioned in G O of 11-4-1939 These works were also not such as could be carried out by the Municipality itself according to rules Thus there was not sufficient authority for the Municipality for drawing the grant amount and having drawn, for not making it available to the Sanitary Department which was executing the work as the Municipality knew very well 24 In the meanwhile on 10-10-39, the President of Shimoga Town Municipality however drew the grant of Rs 21,875/- in respect of water supply and credited it to Municipal Funds The copy of voucher on which the grant was drawn is enclosed for information The President quotes G O No L 158-69/11 70-38-145 dated 5-7-1939 in support of his action Though this Government order stated that all grants for water supply and Town Improvements should be drawn by the Presidents and credited to Municipal Funds, this did not mean that Municipalities should keep all such grants for any length of time without placing them at the disposal of the Department executing the works 15 The President was therefore requested to refund the grant as the Sanitary Engineer was directly operating upon the grant A copy of this office objection memo 53/A 1 dated 22-11-1939 along with a copy of reply from the Deputy Commissioner Shimoga		Serial No 'K' x 'R' 'M'

7

Comp roller s
Office

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Serial
No

Shimoga 1036/39-40 dated 23-12-1939 with its enclosure is enclosed for reference The Deputy Commissioner and the President, as may be seen from their reply, were of opinion that their procedure in having drawn the water supply grant was in order It can be seen however by reference to the figures given in para(9) below that by this time the Municipality had already spent some portion of the grant for its normal purposes and it did not have enough cash balance to refund the grant even if it had a mind to do so It was highly irregular to have drawn a grant which was not required and to have utilised it for unauthorised purposes

R'

(64) As however the action of the Municipality was seemingly correct according to G O of 5-7-39, the undesirable and irregular credit of such grants to Municipal Funds was referred to Government in this office letter No 712/L A D dated 11-4-1940 and Government agreed that as a general rule the grants referred to together with the Municipal quota should be credited to 17(a) P W Deposits by transfer credit (vide letter No L 9366 dated 4-5-1940 from the Secretary to Government Law Department) The instructions contained in letter of 4-5-1940 from Government were not followed even after attention to the same was drawn by this office, on the ground that the original drawal of the Government grant was correct and tha the Deputy Commissioner's office had not received a copy of Government letter dated

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4-5-1940 Even at this stage the Municipality did not have enough cash balance to arrange for a refund

5) After further correspondence with Government, orders clarifying the position were got issued in G O No L 1140-5/ML 86-39-145 dated 31-7-1940

A further reference to the Deputy Commissioner was made in this office No 347/WAD 1 and 497/A 1 dated 10-4-1941 (copy enclosed) requesting for a refund of the Government grant

926 Though the Deputy Commissioner and the President had all along been justifying their action in drawing the water supply grant of Rs 21,875/- the whole transaction was given a different turn now by explaining that the amount was drawn towards Rs 20,000/- sanctioned for the other two works viz (1) Removal of congestion by acquiring certain properties (2) Extension of River Bank Road in G O of 18-8-1938 (Vide copies of correspondence enclosed M 3 C 1992/40 dated 18-4-1941 from the Deputy Commissioner, 681/WAD 1 dated 12-5-1941, M 3 C 1992/40-41 dated 31-5-1941 from the Deputy Commissioner 800/WAD 1 dated 17-6-1941) The Deputy Commissioner in his letter of 18-4-1941 intimated refund of Rs 1,875/- and explained that the Municipality had drawn Rs 21,875/- erroneously instead of only Rs 20 000/- for the above two works This explanation could not on the very face of the voucher (copy enclosed) and in view of former plea justifying the drawal of the grant of Rs 21,875/- for the water supply be accepted and after

Serial
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'M'

several

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	Serial No	
J'		several reminders to this office letter 800/VAD 1 dated 17-8-1941 (copy referred to already) the District Treasury Officer was finally instructed in letter No 816/A 1 dated 8-10-1941 (copy enclosed) to debit the sum of Rs 20,000/- in the Pass Book of the Municipality by credit to Recoveries of Service Payments The District Treasury officer in his letter No T2-G1 1006/41-42 dated 13-10-1941 intimated that there was only a small balance of Rs 638-1-11 on 13-10-1941 at the credit of the Municipality and he had therefore stopped all transactions with the Municipality pending further orders On receipt of a copy of letter No L 3 C 1992/40-41 dated 17-10-1941 addressed to Government by the Deputy Commissioner, the District Treasury officer was written to in letter No 816/A 1 dated 8-10-41 that no instructions were issued by this office to the Treasury to stop all transactions altogether but to raise the debit for Rs 20,000/- in the Municipal Pass Book as it had been irregularly drawn 109 The Present position is that the entire water supply grant of Rs 61,875/- has been worked out by the Sanitary Department and a further expenditure of Rs 50,603-0-6 met from loan funds on this account to end of June 1941 The Municipality has incurred an expenditure of Rs 15,881-5-10 on account of the work of removal of congestion though it had no authority to undertake the work In any case the excess of Rs 5,881-5-10 over the grant and loan amount

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Comptroller s
Office

amount sanctioned by Govt for this work (viz ,
Rs.10,000/-) should be met from the funds of the
Municipality itself as it has not approached Govern-
ment till now for any further relief on this
account

Serial
No

① The third work, Extension of River Bank Road,
does not seem to have been taken up yet and as it
is estimated to cost more than Rs 1,000/- the
work should be executed by P & D according to the
very G O of 5-7-1939 on the basis of which the
Municipality has drawn the grant Further accord-
ing to this Government Order the sum of Rs 10 000/-
should be available in a separate Fund (viz ,
Public Improvement Fund to be accounted for distinct
from the General Municipal balance) But the cash
balance of Municipality as intimated by the Trea-
sury officer was only Rs 638-1-11 There is thus
a very heavy amount of Rs 9,361-14-1 irregularly
utilised for unauthorised purposes The Deputy
Commissioner and the President in their letter
Nos M 3 C 1992/40-41 dated 17-10-1941 and No C L
31/38-39 dated 15-10-1941 have tried to explain
the above irregularities by stating that the grant
had to be drawn as even after the loan bond was
executed, the money was not made available to the
Municipality This explanation is clearly wrong
in view of this office letter No 238/Loans dated
30-9-1940 (copy enclosed) in which a reply was
sent stating that authorisation of payment was
unnecessary as the expenditure incurred would be
debited directly to loan account

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It is thus seen that there was no need to have drawn the amount (except perhaps for Land Acquisition work) and having drawn it, to have kept it without refunding in spite of repeated letters from this office and the several Government orders. Further it was highly irregular to have utilised the amount drawn for specific purposes from Government for the normal and other unauthorised purposes of the Municipality. The statement given below shows that at no time did the unspent amount of grant remain in full in the cash balance of the Municipality.

Statement showing the amount misused for normal and unauthorised expenditure out of the grant of Rs 21,875/- irregularly drawn on 10-10-1939

	Closing Balance as per Treasury	Amount spent on acquisition charges as per President's statement (permissible limit Rs 10,000) as at the end of each month	Balance that should have been available at the credit of - Public Improvement Fund	Amount unauthorisedly used
October 39	16,398-14--3	1,028--1--0	20,846-15--0	4,448--0--
November "	9,967--0--9	7,312--1--0	14,562-15--0	4,595-14--
December "	6,765-14--4	12,337--4--8	9,537-11--4	2,771-13--
			2,337--4--8	2,337--4--
			11,875--0--0	5,109--2--
January 40	5,942--2--7	do	do	5,932-14--
February "	7,426--4--8	do	do	4,448-12--
March "	9,901-14--1	12,878-14-10	do	1,973--1-1
April "	6,050--0--7	13,602--2-10	8,272-13--2	2,222-13--
			3,602--2-10	3,602--2-1
			11,875--0--0	5,825--0--
May "		14,324--0--6	do	5,165-12--
June "	2,696-15--6	14,453-11-10	7,421--4--2	4,724--4--
	(as per president's acceptance)		4,453-11-10	4,453-11-1
July "	4,911-14-11	14,950--6-10	11,875--0--0	9,178--0--
			6,924--9--2	6,963--1--
			4,950--6-10	
			11,875--0--0	
August "	4,916--4-11	do	do	6,958-11--
September "	2,183--3--6	do	do	9,691-12--
October "	1,098--2--8	do	do	10,776-13--
November "	2,301--8--9	do	do	9,573--7--

NOTE-Contn Sheet

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Office

December 40	3,140--3--0	14,950--6-10	11,875--0--0
January 41	4,348--9--4	15,881--5-10	"
February 41	2,354--4--9	"	"
March 41		"	"
to Sept 41		"	"

Senal
No

8,734-13--0
7,526--6--8
9,520-11--3

Similar state of affairs continue 9,361-1 4--1

13-10-41	638--1-11	15,881--5-10	11,875--0--0
----------	-----------	--------------	--------------

(10) ✓ The letter of the Municipal President does not indicate that any expenditure has been incurred on account of River Bank Road work. It is also not a work to be executed by the Municipality itself. This work has to be entrusted to the P V D according to rules. If the Municipality wants this work to be executed a further loan of Rs 10,000/- may be sanctioned to the Municipality under the same terms as the old loan, as Government grant of Rs 5,000/- for this work has already been drawn and included in the amount of Rs 20,000/- drawn and utilised by the Municipality. If the Municipality does not want to proceed with the work the Government grant of Rs 5,000/- now irregularly utilised otherwise by it should be treated as a fresh loan. This will rectify the position so far as the accounts are concerned.

✓ In conclusion I cannot help adding that such serious irregularities should not be permitted to be committed especially by Government officers who are the Ex-officio Presidents of Municipal Councils.

M. V. Narayana
Comptroller

KR/25

27/11/41

Adjustment of Rs 21,875/- drawn by the Bangalore
Municipal Council & water supply grant

13

2280

General and Revenue
Secretariat

File No *HC*

of 1941-2

[App F III-2

Serial
No

my

Subs *to* *order* *with* *ref* *to* *para* *11* *supra*
may *in* *the* *first* *instance* *be* *sent*
31/1/41 *to* *the* *Secy* *with* *ref* *to* *para* *10* *opra*
above.

Sk *4/11/41* *1)* *Whereas* *the* *DC's* *letter*
dated *17* *10* *41* *?* *It* *is* *not* *in*
sample *at* *all*

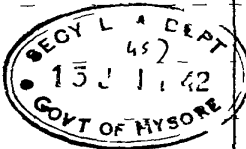
marks

2) *All* *the* *ref* *quoted*
by *the* *Comptroller* *submit*

9/6 *The* *DC's* *letter* *dated* *17* *10* *41* *is* *put* *up* *and*
the *ref* *quoted* *by* *the* *Comptroller* *have* *been* *flagged*
submitted *for* *orders*

13/1/42 *3)* *May* *be* *sent* *to* *the* *Final*
Secy *with* *ref* *to* *paras* *5* *to* *10*
of *the* *notes* *supra*

Law *Secy* *for* *18/1/42*



U.O. No. 1158
17 JAN
1942

24 *Final* *Secy*
MC

Hm
17/1/42
Am

2) *I* *am* *inclined* *to* *agree* *with* *the* *Comptroller*
that *the* *Municipality* *drew* *an* *amount* *not* *required* *to*
be *drawn* *by* *it* *with* *the* *deliberate* *object* *of* *utilising*
it *for* *other* *purposes* *However,* *as* *it* *is* *no* *use*
pursuing *the* *matter* *any* *further,* *the* *Comptroller* *may*

Irregular drawal of money by the Shimoga Town Ml Cl

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No

he authorised to revise the loan account of the
municipality taking into account the sum of Rs 10,000/-
(i.e., Rs 20,000/- irregularly drawn less Rs 5,000
near the grant payable for the work of removing
congestion). The Government grant for the work of
extending the river bank road has to be treated as
lapsed as the work is stated to have not been executed.

AD
16/2/42

1/11/42
X X X
/

20/3/42

Submitted with a draft letter for affl
1/11/42
9/3
9/3
P.L. lump up d/t requires
to be revised for
9/11/42

1/11/42 A revised draft is put up for affl
These papers relate to an irregular
drawal of funds from the Treasury by the Shimoga Town
Ml Cl for purposes other than those authorised
by Govt. The Comptroller's note at paras
12 to 23 ^{above} explain the position from the General
to the present.
A draft is put up, to accord with the 2nd para,
note at para 29.

Investigation of money by the Shumoga Town
 2280/L
 R.C.C.

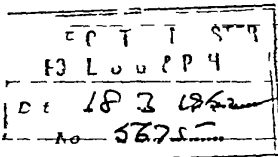
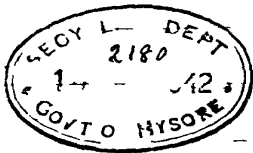
General and Revenue
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Serial
 No



The 1st letter to the D.C.
 Shumoga Dist, which embodies
 the opinion of the Comptroller & the
 Financial Secy is for approval
 Law Secy 7 for
 13/3/42

367 for personal

Minister
 L.S.G.)

Hru
 18/3/42

for

Secy

26 2 42

Hru

25 3 42

/ Issue

for

25/3/42

2,

Re D.C. Shumoga Dist

Directs that such serious irregularities
 should not be allowed to be committed especially by those
 who are ex-officio Presidents of the Municipal Councils
 and states that the Comptroller has been asked to make a
 loan account of the body

B

14/4/42

NOTE—Cont Sheet

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General and Revenue
Secr tariat

Serial
No

Letter No M 3 C 1992/40-41 dated 16th October 1941 from the Deputy Commissioner, Shimoga District, Shimoga, to the Secretary to Government of Mysore, Law Department, Bangalore

Subject - Adjustment of Rs 21,875/- drawn by the Shimoga Town Municipal Council, as water-supply grant and loan -

mc 109 < 41 - 12

In forwarding herewith a copy of letter No C1 31 of 38-39 dated 16-10-41, from the President, Shimoga Town Municipal Council, on the above subject, I have the honour to state as hereunder --

2 The President, Shimoga Town Municipality, drew a sum of Rs 21,875/- sanctioned as grant for the improvement of town water-supply in G O L 2663-15/L1 100-39-4 dated 6-9-1939. The Comptroller has taken objection to this drawal and has requested me in his letter No 816/A1 dated 7-10-41, to have the amount refunded

3 Government in their orders No L 1576-9/L1 140-32-8 dated 18-8-38, & L 8215-8/L1 160-38-3 dated 11-4-39, sanctioned a total sum of Rs 1,43,750/- to the Shimoga Town Municipal Council, half by way of grant and the other half by way of loan for the improvement of Shimoga Town water supply, removal of congestion and formation of a road on the river bank. The Municipal Council have duly executed a bond for Rs 71,875/- which was the amount of loan, sanctioned to it and the bond has been accepted by the Government. The expenditure incurred on account of the water supply scheme is being debited by the Sanitary Engineer to this loan

4 As regards the grant of Rs 71,875/-, it is seen from the President's letter that this grant was sanctioned in two instalments in the two Government Orders quoted above and that the drawal of the amount of the second instalment of Rs 21,875/- is in orders as it is in accordance with instructions contained in G O No L 158, dated 5-7-39. According to this Government Order which was the order in force at the time of the transaction, it was the duty of the President of the Municipality, to draw all

grants

grants sanctioned by Government there does not, therefore appear to be anything irregular in the President's having drawn the grant

5 In para 5 of his letter, the President has made it clear that Government allotted a sum of Rs 20,000/- for the removal of congestion and formation of a road on the river bank, out of the whole grant and loan amounting to Rs 143,750/- though a sum of Rs 10,000/- being half the cost of the two schemes was due to the Municipality as grant in the year 38-39, this sum was ordered by the Government to be spent towards the water supply scheme in view of its urgency, the municipality having been directed to reimburse itself to this extent out of the loan to be drawn by it after executing the bond the municipality thereupon duly executed a bond for the loan amount, and the bond was approved by Government. Even then, the amount of Rs 20,000/- due to the municipality (grant of Rs 10,000/- and loan of Rs 10,000/-) was not made available the municipality had undertaken acquisition in pursuance of the first of the two Government Orders quoted in para 3 of this letter. In view of the obligatory nature of this expenditure, the municipality found it necessary to meet the demands of the Land Acquisition Officer and the District Judge out of the grant of Rs 21,875/- which it had drawn. The President submits that all the three works of improvement are to be treated as one unit and that the objection to the grant for one work being utilised for another work included in the same Government Order should not hold good as long as the expenditure was within the allotment. He refers in support of his view, to letter No L 8399-11-dated 17-4-30 from the Secretary, Local Self Government Department, to the Director of Public Health

6 It is thus clear that a sum of Rs 20,000/- was due to the municipal council out of the loan and grant of Rs 143,750/- the President had drawn a sum of Rs 21,875/- On receipt of an objection memo from the Comptroller, he refunded to the treasury a sum of

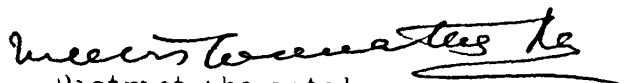
Rs 1685/-

Rs 1875/- which was the sum remaining with him in excess of the sum due to the municipality

7 In view of these facts, and also in view of the instructions contained in the implications of the Local Self Government's letter quoted by the President, the question of refund does not appear to arise. I request that the Comptroller may therefore be kindly instructed to withdraw his objection and to permit the District Treasury Officer, Shimoga to cash Municipal cheques as heretofore

8 The President has stated in the concluding paragraph of his letter that the refusal on the part of the District Treasury to cash Municipal cheques has resulted in a very embarrassing situation for the Municipality, particularly in view of the importance of discharging its obligation to merchants and contractors before the ensuing Sivali feast. I therefore request that pending final orders of Government on this question, orders may be communicated by telegram keeping the Comptroller's order in abeyance so that municipal cheques may be continued to be cashed in the District Treasury

"Copy


District Sheristedar,
Shimoga District

OFFICE OF THE PRESIDENT
TOWN MUNICIPAL COUNCIL

Shimoga Dated 15th October 1941

THE PRESIDENT
TOWN MUNICIPAL COUNCIL
SHIMOGA

To

The Deputy Commissioner,
Shimoga District,
SHIMOGA

Sir,

With reference to correspondence ending with your memo No M3 C 1992/40-41 dated 10-10-41 directing the refund of the Water Supply Grant of Rs 21,875/- on the ground that it was irregular for the Municipality to have drawn it, I have the honour to enclose herewith copies of the marginally noted papers and

- | | | |
|--------------|---|------------------------------------|
| ENCLOSURES:- | | |
| 1 | Statement (copy) accompanying this office letter No C1-31/30-40 dated 26-4-40 to the Deputy Commissioner | to submit that the drawing of this |
| 2 | Copy of letter No L 8399/11 97-38-53 dated 17-4-1939 from the Secretary Local Self Government Department to the Director of Public Health | by the Municipality appears to be |

in order for the reasons set forth below,

(1) The Government were pleased to sanction total sum of Rs 1,43,750/-, Rs 71,875/-, i.e., half the amount, by way of a grant and Rs 71,875/- as a loan, for the three works of town improvement, viz Improvement of the Town's Water Supply, acquisition of properties for the removal of congestion and extension of the Road on the Tungabhadra River Bank. The sanction is covered by two Government orders viz (1) L 1576-9/11 140-37-8 dated 18-2-38, (2) L 8215-8/11 160-38-3 dated 11-4-1939. The entire amount of grant for all these three works was ordered to be debited to the provision in the State Budgets for the year 1939-40 under "Improvement of Water Supply to Towns

It is thus clear that the three works of improvement go together, the amount allotted to each one of them out of the total grant and loan being only a matter of detail

(2) A loan bond for Rs 71,875/- which was the amount of loan sanctioned for all the three works together was executed and was submitted to you for transmission to Government with this office No C 1-31/38-39 dated 10-5-1939 and it was approved by Government also. It is recited in the loan bond that this loan is for all the three works Viz , Town Water Supply, removal of Congestion and extension of the Road on the River Bank

(3) But the grant of Rs 71,875/- could not be drawn in one lump as it was not sanctioned in one lump. A sum of Rs 50,000/- was sanctioned in the year 1938-39 and the balance of Rs 21,875/- during the year 1939-40. Out of the sum of Rs 50,000/- sanctioned as grant during the year 1938-39, a sum of Rs 40,000/- represented the grant for the water supply scheme and the balance of Rs 10,000/- for the removal of congestion and the formation of a road on the river Bank. But according to the instructions contained in letter No I 8309/197-38-53 dated 17-4-39 from the Secretary to Government Local Self Government Department to the Director of Public Health in Mysore, Bangalore, (which was communicated to this office with your office No LMS C 824/38-39 dated 5-5-39) and which was presumably not communicated to the Comptroller the entire amount of Rs 50,000/- was to be spent for the water supply scheme in view of its urgency, the amount of Rs 10,000/- representing the grant for the other two works being taken out of the loan of Rs 71,875/- In accordance with these instructions, the Bureau of Sanitary Engineering spent a sum of Rs 40,083/- during the year 1938-39

and sanction of Government was obtained in Government order No L 2712-5/M1 54-40-4 dated 5-10-1940 for drawing the ~~xxxxx1940~~ unspent balance of grant amountin to Rs 9,917/- during the year 1940-41 But this sum remains undrawn still as it was not required by the Director of Public Health for use during 1940-41, Vide Government Order No 7042-95/M1 54-40-14 dated 4-4-1941

(4) As regards the grant of Rs 21,875/- sanctioned in 1939-40, this sum was drawn in strict accordance with the instructions contained in the unambiguous Government order No L 158-69/11 70-38-145 dated 5-7-39 prescribing the procedure for the drawing and accounting of Government grants. The Municipality ^{was} ~~were~~, I submit, in order in having drawn this sum in the light of the wording of the Government order and the Sanitary Engineer, ^{of the Municipality} ~~should~~ not have drawn the amount and operated on it without reference to the Municipality. It is the fact that debits were mainly made by the Sanitary Engineer to the Accounts Head "30 Grants" that amounted to another drawal of the amount already drawn by the Municipal Council.

(5) As regards the other two items of ~~xxxx~~ works, Viz , Acquisition of ~~xxx~~ properties for removal of congestion and formation of road on the River Bank, the amount sanctioned by the Government in Government order No L 1576-9/11 140-38 dated 18-8-38 was Rs 20,000/- half by way of a grant and the other half by way of loan. But the amount of grant of Rs 10,000/- was not placed at the disposal of the Municipality the Government having directed (vide letter No L 8309/11 97-38-53 dated 17-4-39 from the Secretary, Local Self Government Department to the Director of Public Health) that the grant for these works also be spent for the Water Supply Scheme and that the amount required by the Municipality for these works be expended out of the loan to be drawn by the

the Council But even after the loan bond was executed, the amount of grant and loan of Rs 20,000/- due to the Municipality for the execution of these works was not made available The Municipality had undertaken acquisitions by virtue of Government order No L 1576-9/11 140-37-8 dated 18-8-30 which sanctioned a grant and loan for this purpose, and the demands from the Land Acquisition Officer and the District Judge for payment of the cost of acquisition and enhanced compensation awarded on appeal, respectively, could not be put off It therefore became absolutely imperative for the Municipality to meet the cost of acquisition out of the grant of Rs 21,875/- rightly drawn by it It will be seen from the statement already submitted by me and a copy of which is now submitted for ready reference that the Municipality has spent a sum of Rs 15,881-1-10 on acquisitions I may also submit that according to the letter from the Secretary Local Self Government Department to the Director of Public Health, a copy of which is submitted herewith for ready reference, it is to be concluded that the Government treated all the 3 items of work as one unit for which a grant of Rs 71,875/- and a loan of an equal sum was sanctioned and that they did not mind the grant for one work being utilised for another work so long as the expenditure incurred on account of these works was kept within the sanctioned allotment

(6) In this connection I beg to invite reference to item No 2 in letter No 816/AI dated 7-10-41 from the Comptroller to you wherein he has stated that the loan (and presumably the grant) to the Municipality for removal of congestion and formation of a road on the River Bank can be operated upon only by the Sanitary Engineer as the Municipality is not authorised to carry out works estimated to cost more than Rs 1,000/- , I submit that the limit of Rs 1,000/- imposed

imposed in the Government orders on the subject refers to public works and not to acquisitions. Municipal Councils may be said to carry out acquisitions only in as much as they submit proposals which are however sanctioned by Government. The Sanitary Engineer who is to execute Sanitary works on behalf of Municipal Councils has therefore nothing to do with acquisition which are initiated by the Municipal Councils and completed by the Land Acquisition Officers.

(7) However holding that ~~drawin~~ of the sum of Rs 21,875/- by the Municipality is irregular, the Comptroller has now instructed the District Treasury Officer to adjust the balances available at the credit of the Municipality towards the sum of Rs 20,000/- said to have been irregularly drawn (Rs 20,000 is mentioned here as the Municipality have ~~refunded~~ refunded a sum of Rs 1875/-). This direction of the Comptroller which has been duly given effect to by the District Treasury Officer has created an embarrassing situation for the Municipality. Besides hampering and dislocating the routine administration of the Municipality by the refusal to cash Municipal Cheques, it has made the Municipality which has a number of obligations to contractors and merchants to discharge before the ensuing Divali Feast suffer in prestige. The financial year in the case of business men will begin afresh on the Divali Day and if their demands are not met before then the Municipality will find itself in a hard predicament.

(8) In these circumstances I request you kindly to issue instructions to the District Treasury Officer to encash the Municipal Cheques to the extent to which funds are at their credit in anticipation of Government sanction. If this is not

not possible I beg that a recommendation be sent to Government to keep the Comptroller's instructions regarding the adjustment of Rs 20,000/- in abeyance pending orders of Government on the points raised in this letter

In view of the urgency of this matter on account of the fast approaching Feast and the intervening penultimate Saturday and Sunday during such day the District Treasury ~~will be closed~~

~~will be closed~~ I request you to be so good as to recommend to Government that orders permitting Municipal Cheques being encashed in the District Treasury as heretofore may be issued by telegram tomorrow.

I have the honour to be,
Sir,
Your most obedient servant,

to Sanyalayanagar

PRESIDENT,
Shiroga Town Municipal Council
as

Copy
to Sanyalayanagar
For Deputy Comm Secy
Shiroga Sh

AMOUNT SPENT FOR THE ACQUISITION OF PROPERTIES

16-10-1939	Paid to the Assistant Commissioner Shimoga towards compensation in Land Acquisition Case No 70/38, for the acquisition of 4-1 guntas of land in Survey, number, 32-1, 32/2 of Hillaaghatta village, for the formation of an extension Cheque No 96/1240	Rs 1,028
8-11-1939	Paid to the District Treasury Officer Shimoga Deposit towards the cost of acquisition of properties for farming a conservancy lane behind Doddapet as per letter No Land Acquisition case 1-6/39-40 dated 6-11-39 from the District Treasury Officer, Shimoga Cheque No 37/1267	Rs 1,334 0 0
14-11-1939	Paid to the District Treasury Asst Commissioner and Land Acquisition Officer the cost of acquisition of properties belonging to Messrs Havaladar Rama Rao and others as per letter No L A C 7-11/38-39 dated 1-11-1939	Rs 3,200 0 0
14-11-1939	Paid to Treasury Assistant Commissioner and Land Acquisition Officer, Shimoga the cost of acquisition of properties belonging to Ayanur Abdul Khader Sab as per letter L A C No 7-11/38-39 dated 1-11-39	Rs 1,750 0 0
15-12-1939	Paid to the District Judge, Shimoga towards enhanced compensation in respect of the acquisition of lands in the following cases	Rs 7312-1-0
	1 Mis 26/36 326 0 0	
	2 " 24/36 233 15 3	
	3 " 27/36 1132 0 6	
	4 " 81/36 178 5 3	
	5 " 73/36 1446 11 5	
	6 " 76/36 584 10 0	
	7 " 71/36 53 13 6	
	8 " 78/36 217 12 3	
	9 " 80/36 203 13 0	
	10 " 74/36 648 12 1	
		Rs 5,025 3 8
8-3-1940	Paid to the Treasury Assistant Commissioner and Land Acquisition Officer towards the cost of Acquiring 729 square yards in respect of site No 174 in Shimoga Town belonging to Anjumane Islamia Shimoga, for the construction of a mutton stalls	Rs 12337-4-0
8-3-1940	Paid to the Sub Division Officer and Land Acquisition Officer, Shimoga towards the cost acquiring properties measuring 1282 square yards in respect of Assessment Nos 9-1, 9-2, 9-3, 9-4, 9-5 belonging to Kalyarappa's Mutt for the Mutton stall	Rs 209 0 0
27-3-1940	Paid to the Subdivision Officer	Rs 184 4 0
		Rs 127308-8

	Officer and Land Acquisition Officer, Shimoga being the excess award passed by the District Judge, Shimoga in his Case No 98/36-37 (A Srinivasa Iyanger Vs Land Acquisition Officer)	12738-08 148 6 2
10-4-40	Paid to the Subdivision officer and Land Acquisition Officer, Shimoga for acquisition of properties in Durgigudi extension for the formation of a conservancy lane	12878-74-10 - 723 4 0
7-5-40	Paid to the Treasury Asst Commissioner and Land Acquisition officer towards the compensation amount in respect of the house belonging to Mr Havaldar Rama Rao in Big Brahmin street acquired	13602-2-10 721 13 8
24-6-1940	Paid to the District Judge, Shimoga towards supplemental award passed by the District Judge in his Case No 63/38-39 (Venkatachallappa Vs Land Acquisition Officer)	14324-0-6 129 7 4
12-7-1940	his Case No 77/36-37 in District Court Acquisition of properties in Katugarakeri	16453-7-10 - 496 11 0
16-1-1941 and	Paid to the Assistant Commissioner and Land Acquisition Officer, Shimoga acquisition cost in respect of assessment Nos 111/789 and 121/788 near Sri Iswara temple in Big Brahmin street	149502-10 930 15 0
TOTAL		15881-5-1

to Sanyamanyam

11 Copy

to Sanyamanyam

16/10/41

For Deputy Commissioner
R. Shimoga

15881 5 10
1427 10 0
14453-11-10
1496 11 0
14950-6-10

LETTER No L 8399/M1 97-38-53 dated 17th April 1939
from the Secretary to Government, Local Self Government Dept
Bangalore, to the Director of Public Health in Mysore, Bangalore

SUBJECT - Acquisition of certain properties in Shimoga Town
Municipality at an estimated cost of Rs 10,000/-

With reference to your letter No C 106-147/dated 23/28th
March 1939 on the above subject, I am directed to state as follows

Neither the import of the Government order No L 1576-9/L
140-37-8 dated 18th August 1938 nor the procedure to be observed in
such cases has been well understood

Out of the one lakh of rupees sanctioned for certain
improvements in Shimoga Town Rs 50,000/- is an outright grant from
Government and the balance of Rs 50,000/- is a loan Government
have already directed that the water supply improvement work to the
extent of the estimate Viz Rs 78,750/- may be taken up immediately
Now the estimate has been revised to Rs 1,23,000/- and odd and half
of it has been separately ordered to be met by Government Having
regard to this fact, the amount required by the Municipal Council
for acquisition has to be met only out of the loan to be taken
by it the amount cannot be drawn unless and until the Municipal
Council executes the loan bond after undergoing the prescribed
formalities

LETTER NO C 106-168 dated 27/29th April 1939 from the
Director of Public Health in Mysore, Bangalore to the Deputy
Commissioner, Shimoga District

Re Town Improvement schemes in Shimoga Town acquisition
of certain properties at an estimated cost of Rs 10,000/-

In continuation of this office letter No C 106-145 date
23rd March 1939, on the above subject, I have the honour to forward
herewith a copy of letter No L 8399/M1 97-38-53 dated 17-4-39 of
the Secretary to Government, Local Self Government Department

Memo No K3 C 824/35-39

Dated 5-5-1939

Copy of the above with that of its enclosure is forwarded
to the President, Town Municipal Council, Shimoga for information
with reference to his letter No C 1-31/38-39 dated 16-2-39

"COPY"

Suryanarayana
PRESIDENT,
Shimoga Town Municipal Council

Sd/- K. Krishna Rao,
For Deputy Commissioner
Shimoga District

Copy
Suryanarayana
For Deputy
Rd

Audit Objection Slip (A)

A sum of Rs 21,875/- has been drawn and credited to Municipal Funds quoting G O No L 158-69 Ml 70-38-145 dated 5-7-39 as authority It has been clearly stated in the Govt Order that all Water Supply and drainage should be executed by Sanitary Bureau in which case there is no necessity for amount being credited to Municipal Funds as expenditure will have been booked directly in Divisional accounts vide Art 243(d) M C A C Vol 1 The Government further directs that works which do not come under Water Supply or drainage may be executed by Municipality, provided the cost is less than Rs 1000/- As the present procedure of drawing the grant is irregular the amount may be kindly got refunded to the treasury immediately

=====

Letter No M 3 C 1036/39-40 dated 23rd Decr 1939 from
The Deputy Commissioner, Shimoga District, to the Comptroller

With reference to your audit objection slip No 53/A 1 dated 17/22nd November 1939 requesting me to arrange refund of the grant amount of Rs 21,875/- drawn by the Shimoga Municipal Council, I have the honour to state that the amount has been drawn in accordance with the modified rules issued by Government in their Order No L 158-69/Ml 70-38-145 dated 5-7-39 Your kind reference is invited to modified clause (e) of Rule 278 of the Municipal Accounts Manual in the matter of drawing the Government grant copy of letter received from the President is also enclosed

Letter No C 1 31/39-40 dated 13th December 1939 from
the President, Town Municipal Council, Shimoga, to the Deputy
Commissioner, Shimoga District, Shimoga
=====

With reference to your memo No M 3 C 1036/39-40 dated 14-11-39 forwarding for immediate action and report audit objection slip "A" dated 17-11-39 from the Asst Comptroller re the drawing

of the Government grant of Rs 21,875/- I have the honour to submit that according to the modified rules issued by Government in their order No L 158-69/Ml 70-38-145 dated 5-7-39 bills for drawing the Government grants are to be prepared by the Presidents of Municipal Councils and get countersigned by the Deputy Commissioner before encashment in the Treasury whether the works are to be executed by the Municipality or not I quote this portion of the order for kind perusal

(e) In regard to all works, the bills for drawing the Govt grants will be prepared by the Presidents of the Municipal Councils with details as noted below and get countersigned by the Deputy Commissioner before encash^{-ment} in the Treasury The bill for drawing the government grant should not be prepared by the Municipal Council nor countersigned by the Deputy Commissioner until estimate for the work is sanctioned by the competent authority and is taken up for execution I beg to submit that there is nothing in this order to require the observance of a different procedure with regard to the drawing of Govt grants for works executed by the P W Department or the Bureau of Sanitary Engineering as the case may be I submit that this procedure is meant to apply to all works for which Government grants are sanctioned, as the underlined portion in the above extract goes to show Clause (d) of the same order only lays down that the contribution of the Municipal Council together with the Govt grant should be formed into a fund, ear-marked for public improvements, and be kept under a separate head in the accounts so as not to emerge in the general balance of the Municipal funds There is therefore no suggestion in this Govt Order that grants for works executed by the P W Department or the Bureau of Sanitary Engineering are to be drawn and accounted for in a manner different from the procedure for drawing grants for works executed by Municipal Councils I am therefore of opinion that the Govt Order under advertance prescribes a uniform procedure for the drawing and accounting of all grants from Government for works of public and that the drawing of Rs 21,875/- (now held under objection by the Asst Comptroller) is therefore in order I am submitting a copy of the Govt underlining the portions which suggest the procedure adopted

Letter No M 3 C 1992/40 dated 18th April 1941 from the Deputy Commissioner, Shimoga District, Shimoga, to the Comptroller in Mysore, Bangalore
=====

I have the honour to state that the Sanitary Engineer has in his letter No 1521 dated the 15th April 1941 intimated that an outlay of Rs 10,80,00/- has been incurred for the works connected with the improvement of the Shimoga Town Water Supply upto the end of March 1941. I request you to kindly let me know how the outlay has been booked in your accounts i.e., how much has been charged towards the Government grant and how much has been charged to the loan account of the Municipality.

Government in their Order No L 1576-9/Ml 140-37-8 dated 18-8-38 directed that the marginally noted schemes in the Shimoga Town Municipality costing a lakh of rupees may be met by the Government and the Municipal Council in equal proportions i.e., Rs 50,000/- by each and that in order to meet their portion of the cost, the Municipal Council may be advanced a loan of Rs 50,000/- Later on the estimate for the Water Supply Improvement was revised and enhanced to Rs 1,23,750/- The revised estimate was sanctioned by Government in their order Nos L 8215-8/Ml 160-38-3 dated 12-4-39 with the direction that the extra cost of Rs 43,750/- may also be met by equal proportions by the Government and the Municipality. They also sanctioned a further loan of Rs 21,875/-

1 Improvement of Water Supply	Rs 80,000/-	} to the Municipality to meet their share of the extra cost. Thus the Government sanctioned a grant of Rs 71,875/- and a loan of Rs 71,875/- to the Municipality to carry out the Works referred to. The Municipal Council have executed a bond in respect of the loan sanctioned to ~~them~~ them as intimated in my letter No M 3 C 104/40-41 dated 26-10-40.
2 Removal of congestion by acquiring certain properties	10,000/-	
3 Extending the river Bank Rd ,	10,000/-	

So far, the Municipal Council have drawn only a sum of Rs 21,875/- on 10-10-39 on a bill countersigned by me. No further amounts have been drawn by the Municipality. From the Sanitary Engineer letter quoted above it is seen that outlay is being incurred by him and adjusted by you.

I request to be kindly enlightened as to the procedure that has been followed in this matter.

=====

In these circumstances I request you to kindly recommend to the Comptroller to waive the objection. The objection slip is also returned herewith as desired.

=====

Letter No 497/A 1 dated 10-4-41 from the Comptroller to the Deputy Commissioner, Shimoga District, Shimoga

I have the honour to invite kind reference to correspondence ending with letter No 347/WAD 1 dated 9-1-41 and subsequent reminders in the matter of the government grant of Rs 21,875/- sanctioned for improvement of Water Supply to Shimoga and to state that the Sanitary Engineer in his letter No.540 dated 3-4-41 has intimated that as against the total grant of Rs.21875/- for 1939-40 an outlay of Rs 22905 has already been booked directly under 30 Grants for Public Improvements in the Divisional accounts, the details of expenditure having been intimated to you in his letter No 503/9-9-40. The grant of Rs 21875/- drawn by the President, Shimoga Municipal Council and credited to Municipal funds represents an excess over the government grant and requires to be refunded to the treasury immediately. As the fact of the expenditure incurred directly under 30 grants was intimate to you by the Sanitary Engineer, action should have been taken by you for refunding the grant earlier as requested in this office objection slip No 53/A 1 dated 22-11-39. The grant may be kindly withdrawn from Municipal funds and credited under Recovery of Service payments, within a fortnight failing which instructions will have to be issued to the Treasury to debit the amount in the Pass Book.

Letter No 681/WAD 1 dated 12-5-41 from the Comptroller to the Deputy Commissioner, Shimoga District, Shimoga
=====

With reference to your letter No M 3 C 1992/40-41 dated 18-4-41 re the sum of Rs 1,08,000/- intimated to you as expenditure incurred on the improvement of Shimoga Town Water Supply, I have the honour to inform you that according to the registers of this office outlay incurred to end of March 1941 (both under Govt grants (2) Improvement of Water Supply in Towns and 27(a) Loans is Rs.1,07,993-5-10 as noted in the margin. As the government share of expenditure is in excess of sanction of Rs 1135/- this excess amount will be written back to the Loan head. Further, outlay that may be incurred to the extent of the loan of Rs 61,875/- will be debited to 27(a) Loans

Estimate Rs 123750
Govt share 61875
Municipal share 61875

Outlay charged to	27(a) Loans
30(g-2)	
38-39 40105/-	
39-40 22905/-	22019- 7-10
40-40 to	
end of	22963-14-0
March 41	-----
63010/-	44983- 5-10

Total 107993-5-10	

The loan amount ought to be only Rs 61,875 and not 71875/- as stated by you. The grant of Rs 21875/- sanctioned in G O No 2603-15/ML 100-39-4 dated 2-9-39 is purely towards Govt share of expenditure against which a sum of Rs 22905/- has been incurred during 1939-40. An expenditure of Rs 22019-7-10 has also been incurred

under 27(a) loans during 1939-40. The sum of Rs 21875/- drawn in October 1939 and held by the Municipality is an overdrawal and may therefore kindly be transferred to the credit of 17(a) P W Deposits

=====

Letter No M 3 C 1992/40-41 dated 31st May 1941 from the Deputy Commissioner, Shimoga, to the Comptroller in Mysore, B'lore

Sub - Adjustment of Rs 21,875/- drawn by the Shimoga Town Municipality out of the Town Improvement grant

With reference to the correspondence ending with your letter No 681/WAD 1 dated 12th May 1941 on the above subject, I have the honour to state as follows -

Government in their order No L 1576-9/ML 140-37-8 dated the 18th August 1938 directed that the cost of the marginally noted schemes in the Shimoga Town Municipality, costing a lakh of rupees may be met by

Government and the Municipal Council in equal proportions i e Rs 50,000/- by each and that in order to meet their portion of the cost, the Municipal Council may be advanced a loan of Rs 50,000/-

-----		Later on, the estim
Improvement of water supply	Rs 80,000/-	for the Water Supply
Removal of congestion by acquiring certain properties	10,000/-	Improvement Scheme,
Extending the road on the river bank	10,000/-	which had been prepare
-----		for Rs 80,000/- in the
		first instance was rev

and enhanced to Rs 1,23,750/- resulting in an excess of Rs 43,750/- over the original estimate This revised estimate was sanctioned by Govt in their order No L 8215-8/Ml 160-88-3 dated the 12th April 1939 with the direction that the extra cost of Rs 43,750/- may also be met by equal proportions by the Govt and the Municipality They sanctioned a further loan of Rs 21875/- to the Municipality to meet their share of the extra cost Thus the Govt sanctioned a grant of Rs 71875/- and a loan of Rs 71875/- to the Municipality to carry out the works referred to Out of the total sum of Rs 1,43,750/- sanctioned both as grant and as loan, a sum of Rs 1,23,750/- which is the cost of the Water Supply improvement scheme has to be utilised by the Sanitary Engineer and the balance of Rs 20,000/- has to be utilised by the Municipality for the removal of congestion by the acquisition of properties and also for extending the river bank road, as these works will be executed by the Municipal Agency The Municipal Council, instead of drawing Rs 20,000/- have drawn Rs 21875/- The excess amount drawn viz Rs 1875/- has now been refunded and credited by the Municipality to 17-A P W Deposits on 16-4-41 It will thus be seen that after the refund of Rs 1875/- there is no overdrawal to be adjusted by the Municipal Council

=====

Letter No 800/VAD 1 dated 17-6-41 from the Comptroller in Mysore, to the Deputy Commissioner, Shimoga District, Shimoga
=====

With reference to your letter No M 3 C 1992/40-41 dated 31-5-1941 re the drawing a sum of Rs 21875/- drawn from the Shimoga District Treasury by the Shimoga Municipal Council, I have the honour to state that this amount as sanctioned by Govt in their order No L 2603-15/

Ml:100-39-4 dated 6-9-39 was purely towards Govt share of grant for the improvement of Water supply and it has not been mixed with any other thing Though the amount of estimate of Rs 80,000/- for the improvement of Water Supply to Shimoga was revised to Rs 123750/- the enhanced portion viz , Rs 43750/- had also to be met out in equal proportions by the Municipality and Government The Municipal portion of the entire outlay of 123750/- was Rs 61875/- and not Rs 71875/-

The amount of loan of Rs 50,000/- stated to have been ordered to be advanced in G O No L 1576-9/Ll 140-37-8 dated 18-8-38 was perhaps towards 3 items viz , Rs 40000/- towards improvement of water supply, 5000/- for removal of congestion by acquiring certain properties and Rs 5000/- for extending the road on the river bank

The grant of Rs 21875/- under reference is purely towards improvement of water supply and not towards loan or any other purpose as the amount of loan is advanced in the shape of work done and not in the shape of cash by debiting the outlay incurred directly to 27(a) Loans Hence, the full amount drawn in excess viz , Rs 21875/- has to be refunded

=====

Letter No 816/A 1 dated 8-10-41 from the Comptroller to the Deputy Commissioner, Shimoga District, Shimoga

I have the honour to invite kind reference to correspondence ending with letter No 800/VAD 1 dated 17-6-41 and subsequent reminders regarding the grant of Rs 21875/- sanctioned for water supply to ShimogaTown during 1939-40 in G O No L 2603-15 Ml 100-39-4 dated 6-9-39 and to state as follows -

(1) The statement made in your letter of 31-5-41 to the effect that the Municipality has drawn the grant of Rs 21875 by mistake instead of the loan amount of Rs 20,000/- is not acceptable as the President of Shimoga Municipality had specifically drawn the grant amount sanctioned towards Water Supply

(ii) Further the municipality is not authorised to carry out works estimated to cost more than Rs 1000 and any loan sanctioned to the two works viz , removal of congestion and extending river bank road could be operated upon only by the Sanitary Engineer or P W D The loan amount in such a case could be advanced only in the shape of

work done

(iii) As the matter has been unnecessarily delayed by correspondence for more than 1½ yrs I request you kindly to take immediate action to get the excess amount refunded

(iv) Since the government amount in question has been unauthoris-
edly kept with the Municipality for a long period interest will be
charged at 4½% from the date of drawal of grant to date of actual
refund and the exact amount of interest to be recovered will be
intimated after the grant in question is refunded and the date of
refund is intimated to this office

Copy forwarded with compliments to the Deputy Commissioner,
Treasury Department, Shimoga. He is requested to take immediate action
to debit the sum of Rs 20,000/- in the Pass Book of the Municipality
by credit to R S P as intimated in this office letter 497-99/dated
10-4-41

=====

Letter No 238/Loans dated 30-9-40 from the Comptroller to
the Deputy Commissioner, Shimoga District, Shimoga

In returning herewith the bond executed by the President,
Shimoga Municipality in favour of the Government for the loan of
Rs 71875 received with your letter No R Dis M 3 C 1350/39-40, I have
the honour to state that the same may be kept in the District Treasury
for safe custody. The receipt of the bond may kindly be acknowledged

The annuity to discharge the loan of Rs 71875/- in 20 annual
instalments at 4½% per annum is Rs 5525-12-0. No separate authorisation
for the payment of the loan seems to be necessary as the monthly
debit of the expenditure incurred by the Health Department will appear
in the monthly accounts of the Bureau of Sanitary Engineering as in
the case of similar loan works

(Copies)

S. K. S. M. S.
Supts A (1)

9/12/41

Shimoga Town Municipality

Bill for the Water Supply Grant sanctioned by Government for the year 1939-40 for the improvement of
Shimoga Water Supply

No	Name of the work	Estimated cost	No and date the order and the name of the authority sanctioning the estimate	The date of commencement of the work	NO & date of the G O or other authority sanctioning the grant	Amount of grant sanctioned	Remarks
	Improvement of Shimoga Water Supply	Rs 1,20,750/-	G O No L 8215-8/Ml 160-38-3 dated 11/12th April 1939	May 1939	G O No L 8215-8 dated 11/12th April 1939 Vide also G O No L 2603-15/Ml 100-39-4 dated 6-9-39 distributing the provision of one lakh of Rs made in the State Budget	Ps 21,875/-	Vide G O No L 158-69 11 70-38-145 dated 5-7-39 prescribing the procedure for drawing the Govt grants

Countersigned for Rs 21,875/- (Twenty one thousand eight hundred and seventy five only

(Sd) M. S. S. S.

Deputy Commissioner
Shimoga District

(Sd) D. R. S. S.

President
Shimoga Town Municipal Council

Copy

S. M. S. S.
Supt. A. I.

[Signature]

Appendix F G—1]

SUBJECT

Diary No of letter replied to

General and Revenue Secretariat

()
the 193

Date of issue

Signed by

X T S

Please type flag 'j' upto the
end of para 23 of the notes

List of enclosures

Copied by

Examined by

5 Copies

Section ML

File No 109-41

Serial No 13

No 29389 The D C Shemoga Dt
Shemoga

To Sir

Subject Adjustment of a sum of Rs. 21,875/-
drawn by the Shemoga Town ml Council
as water supply grant and loan

Adverting to your letter no. 13-C/1932
8/17-10-41 on the above-subject I am
directed to forward herewith a copy of
u's note no 351/A; dated 27 11 41
from of the Comptroller to Govt, who was
consulted in the matter and to observe
in the light of facts explained ~~therein~~,
that the amount has been drawn from
the treasury by the Shemoga Town ml Council
with the deliberate object of utilising
the same for other purposes.

Having regard to the circumstances
of the case, the Comptroller to Govt
has, however been separately
authorised to revise the loan accounts

of the mldy taking into account
the sum of Rs 15,000/- (ie Rs 20,000
irregularly drawn less Rs 5000/- being
the grant payable for the work of
removing congestion at the place)

The Govt Grant of Rs 10,000/-
for the work of extending the
river bank road has to be treated
as having lapsed as the work
is stated to have not at all been
executed

I am also to add that
such serious irregularities
should not be allowed to be
committed especially by the
Govt officers, who are the
ex-officio Presidents of Municipal Councils
in the State

I have etc.
Hm
18/3/42
for Secretary to Govt
Law Dept

Memo No K 9390-1 Dated 4 4 42

Copy of the above is forwarded Wf to the
(1) Comptroller to Govt for information and
necessary action and (2) to the DPH By order
for information

for
Hk For Secy to Govt
Law Dept

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated Bangalore

4th April 1942

No

L 9389
Inl 109-41-13

FROM

The Secretary to the Government of His Highness the Maharaja of Mysore
Law Department.

To

**The Deputy Commissioner,
Shimoga District, SHIMOGA**

Sir,

**Subject: Adjustment of a sum of Rs.21,875/-
drawn by the Shimoga Town Municipal Council
as water supply grant and loan.**

Adverting to your letter No.M 3.C 1992/40-41, dated 16/17th October 1941, on the above subject, I am directed to forward herewith a copy of un-official note No 351/A.1 dated 27th November 1941 of the Comptroller to Government, who was consulted in the matter and to observe, in the light of facts as explained therein, that the amount was drawn from the treasury by the Shimoga Town Municipal Council with the deliberate object of utilising the same for other purposes

Having regard to the circumstances of the case, the Comptroller to Government has, however been separately authorised to revise the loan account of the Municipality taking into account the sum of Rs.15,000/- (i.e. Rs.20,000/- irregularly drawn less Rs.5,000/- being the grant payable for the work of removing congestion at the place).

The Government grant of Rs.10,000/- for the work of extending the river bank road has to be treated as having lapsed as the work is stated to have not at all been executed

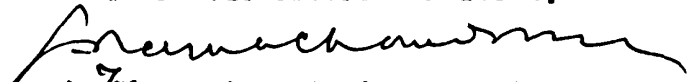
I am also to add that such serious irregularities should not be allowed to be committed especially by the Government

officer s

- 2 -

officers, who are the ex-officio Presidents of Municipal Councils
in the State

I have the honour to be,
Sir,
Your most obedient servant,


For Secretary to Government,
Law Department

PL/5

